



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

September 24, 2001

Neal Mortensen
Western Clay Company
508 East Center
P.O. Box 127
Aurora, Utah 84620

Re: Receipt of Updated Reclamation Surety, Western Clay Company, Last Chance Mine,
M/015/061, Emery County, Utah

Dear Mr. Mortensen:

On September 21, 2001, we received the original amendment to your Letter of Credit # _____, issued by Utah Independent Bank of Salina, Utah. The amendment was received in response to the Division's five-year surety review where it was determined a simple escalation was all that was required to bring Western Clay's Last Chance Mine current to year 2006 dollars.

Utah Independent Bank amended the existing Letter of Credit from number _____ to _____ and the principle amount was changed from \$40,800 to **\$51,800.00**. A copy of the amended Letter of Credit is enclosed for your records. No other paperwork is required regarding this surety at this time.

Thank you for your prompt attention in helping us keep the reclamation surety current.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosure: Amended LOC

cc: Dean Nyffeler, BLM, Price FO (UTU-69862) w/encl
M15-61-surety-ltr.doc



Utah Independent Bank

P.O. Box 09 / 55 South State Salina, Utah 84654 Phone (435) 529-7459 Fax (435) 529-7884

September 12, 2001

Irrevocable Letter of Credit number 25069659 AMENDMENT

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, UT 84114-5801

RE: Letter of Credit date March 17, 1996
Mine: Last Chance Mine, M/015/061, Emery County, Utah
Amount: \$40800.00

Utah Independent Bank has been requested by **WESTERN CLAY COMPANY, INC., P. O. BOX 127, AURORA, UTAH 84620** to amend the above referenced Irrevocable Letter of Credit number ~~25069659~~ issued in your favor, as follows:

1. Letter of Credit number ~~25069659~~ will change to ~~25069659~~.
2. The principal amount of the above mentioned Irrevocable Letter of Credit will be increased by \$11,000.00 to an aggregate amount of **\$51,800.00**.
3. The maturity date will be extended to **October 29, 2002**.

All other conditions will remain the same.

Sincerely,


Luana Crane, Loan Officer

RECEIVED

SEP 21 2001

DIVISION OF
OIL, GAS AND MINING